

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0282-02
Bill No.: HB 107
Subject: Children and Minors; Family Law
Type: Original
Date: February 20, 2013

Bill Summary: This proposal amends current adoption laws to reduce periods for voluntary relinquishment and finalization times and removes required court appearances.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* Potential loss and savings of federal funds that net to zero.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services - Children's Division (DOS-CD)** state this bill changes the witness requirements for the execution of a consent for adoption or a waiver of consent for a future adoption from a notary public or two adult witnesses as long as it is not the person petitioning for adoption or the attorney for adoption. This legislation specifies that the two witnesses must be an attorney representing the parent and a hospital social worker, the guardian ad litem, or a child-placing agency social worker. This would have no fiscal impact on the Division.

For a person wishing to execute a consent to adopt a child in the presence of two witnesses, the requirement to hire an attorney to serve as a witness may deter some individuals. The option to execute the consent to adopt in front of a notary public is still an option, and in some cases may be the easiest alternative. These provisions will not result in a fiscal impact to the Children's Division.

This bill also reduces the age from 2 days old to 1 day old before a parent may execute a consent for the adoption of a child or execute a consent waiver for a future adoption. These provisions are intended to expedite the adoption process and would not create a fiscal or programmatic impact on the Children's Division.

However, the bill also reduces the required amount of time a child must be placed in the home of a person petitioning for the adoption of a child from 6 months to 3 months.

In order to receive federal Title IV-E funding to support adoption subsidy payments, a subsidy agreement must be negotiated with the prospective adoptive parents prior to finalization. It is sometimes difficult to meet the current six month time-frame. Reducing the time-frame for finalization from six months to three months will mean Children's Division staff will have even less time to negotiate the subsidy agreements. If the court moves to finalize an adoption before the subsidy agreement is in place, that adoption will not be eligible for Title IV-E funding. This could result in a loss of federal funds to the state. CD is unable to calculate the fiscal impact associated with this.

Oversight will reflect this potential loss in federal Title IV-E funding as \$0 to (Unknown) in all fiscal years.

Officials from the **Office of the State Courts Administrator** assume the proposal would not fiscally impact the courts.

RS:LR:OD

ASSUMPTION (continued)

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

FISCAL IMPACT - State Government

FY 2014
(10 Mo.)

FY 2015

FY 2016

FEDERAL FUNDS

Savings - Department of Social Services

Potentially less Title IV-E funding to support adoption subsidy payments if DOS is unable to negotiate subsidy agreements within a potentially shorter window

\$0 or Unknown \$0 or Unknown \$0 or Unknown

Loss - Department of Social Services

Potentially less Title IV-E funding to support adoption subsidy payments if DOS is unable to negotiate subsidy agreements within a potentially shorter window

\$0 or
(Unknown) \$0 or
(Unknown) \$0 or
(Unknown)

**ESTIMATED NET EFFECT TO
FEDERAL FUNDS**

\$0

\$0

\$0

FISCAL IMPACT - Local Government

FY 2014
(10 Mo.)

FY 2015

FY 2016

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.


FISCAL DESCRIPTION

The proposal reduces the current required period that a child to be adopted must have been in the lawful and actual custody of the petitioner from six months to three months before the adoption is finalized.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the State Courts Administrator
Department of Social Services
Office of the Secretary of State



Ross Strobe
Acting Director
February 20, 2013